

Change Notice

DIRECTIVE BEING CHANGED: 2013.01 CHANGE NOTICE NUMBER: CN-01

DATE: May 21, 1997

1. <u>PURPOSE AND SCOPE</u>. This Change Notice revises PS 2013.01, Financial Management - Debt Management.

2. <u>SUMMARY OF CHANGES</u>. This Change Notice removes all references to collection of a uniform allowance as a debt. The requirement to collect the uniform allowance as a debt upon an employee's separation or transfer to a position without a uniform allowance has been removed. Uniform allowances are now deemed to be earned in their entirety on the date paid to the employee.

3. TABLE OF CHANGES

Remove

Pages 5 and 6 Pages 13 and 14 Insert

Pages 5 and 6 Pages 13 and 14

4. <u>ACTION</u>. File this Change Notice in the front of PS 2013.01, Financial Management - Debt Management.

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Kathleen M. Hawk
Director



Program Statement

OPI: ADM NUMBER: 2013.01

DATE: March 3, 1994

SUBJECT: Financial Management - Debt

Management

1. <u>PURPOSE AND SCOPE</u>. This Program Statement prescribes the policies and procedures for Debt Management, including collecting delinquent debts and writing off uncollectible debts. These guidelines ensure fair but aggressive collection of all accounts receivables.

One of the first laws that authorized the Government to take action against its debtors was the Federal Claims Collection Act of 1966. Then, in the late 1970's, increasing concern was expressed over the growing backlog of unpaid debts owed the Federal Government. From this concern, the Debt Collection Project was created in August 1979 within the Office of Management and Budget (OMB). The purpose of the project was for OMB to work with Federal agencies and departments to establish effective collection procedures, identify Government-wide problems which impede agency collection efforts, and make recommendations for solving the problems.

The next legislation passed was the Debt Collection Act of 1982. This act promoted improved debt collection by expanding the Government's right to use credit bureau reporting and debt collection agencies in its collection efforts. The General Accounting Office (GAO) and the Department of Justice (DOJ) jointly issued implementing regulations on debt collection as authorized in the Federal Claims Collection Act of 1966. These joint regulations, designated as the Federal Claims Collection Standards, can be found in 4 CFR Parts 101 through 105. These regulations provide general rules on debt collection for Government agencies.

In 1985, OMB issued Circular A-129 which broadened the Government's responsibilities beyond debt collection to include the entire credit management process. This circular, revised in 1993, establishes Government policy and the regulatory framework for the development of specific credit management standards and procedures. The Financial Management Service of the Department

of the Treasury has issued several supplements to the Treasury Financial Manual which expand on the standards and procedures required to manage credit and debt collection. Examples of these supplements are "Managing Government Credit," "Guidelines for the Federal Employee Salary Offset Program," and "Federal Direct Loan Operating Procedures."

2. DIRECTIVES AFFECTED

- a. <u>Directives Rescinded</u>. None.
- b. Directives Referenced
 - P.S. 2200.01 BOP Travel Regulations (11/01/84)

3. <u>STANDARDS REFERENCED</u>

- a. American Correctional Association 3rd Edition Standards for Adult Correctional Institutions: 3-4031.
- b. American Correctional Association 3rd Edition Standards for Adult Local Detention Facilities: 3-ALDF-1B-04.
- 4. <u>DESIGNATION OF DEBT MANAGEMENT OFFICER</u>. A Deputy Assistant Director, Administration Division, is designated as the Debt Management Officer for the BOP. The Debt Management Officer is to:
- a. determine collectibility of accounts receivables and recommend disposition of the receivables;
- b. make determinations and recommendations regarding Requests for Compromises of Claim;
- c. ensure sound debt management policies and operations are in place in the BOP; and
- d. answer outside inquiries regarding the BOP Debt Management Program.
- 5. <u>DUNNING PROCEDURES</u>. A bill is considered delinquent when the debt has not been paid or resolved within 30 days of the payment due date. All accounts are to be monitored to determine when a bill has become past due. Once a bill has become delinquent, the following steps must be taken (for debts owed by current Federal employees, refer to Sections 6.b. and 6.c.):
- a. <u>Institution Level</u>. As soon as the account becomes delinquent, the debtor is to be notified by letter, and if possible, by telephone. All personal contacts with the debtor, i.e., telephone calls, must be documented in the account file and followed up by a letter that confirms the contact and any agreements reached.

- (1) <u>Initial Contact</u>. The initial contact with the debtor is to be made as soon as the debt becomes delinquent, but not later than 45 days after the payment due date. The letter must inform the debtor of the:
 - (a) status of the debt as overdue,
 - (b) amount owed,
 - (c) basis of indebtedness,
 - (d) debtor's right to contest the debt,
 - (e) debt collection methods the BOP may use including IRS Offset (Central Office only) and Administrative Offset,
 - (f) BOP's policy on assessing late charges and the appropriate rates and amounts (if applicable), and
 - (g) date by which payment must be received to avoid further action.

The letter is to be signed by the Controller.

(2) Additional Contact. If the debt is not recovered after the initial contact, a follow-up letter is to be sent every 30 days for the next two months, but not later than 75 days and 105 days after the payment due date. Each letter should become progressively stronger and firmer in tone. These letters are to be signed by the Warden.

If the institution's efforts to collect the debt fail and the debt is 135 days past due, the institution shall request assistance from the Regional Comptroller. In this request, the institution shall include, at a minimum:

- (a) a copy of the billing document,
- (b) back-up support for the bill, and
- (c) copies of all follow-up documentation and correspondence.
- b. Regional Office Level. The Regional Comptroller is to review the documentation supporting the debt referred by the institution. If the Regional Comptroller concludes that the institution made sufficient attempts to collect the debt, but the collection efforts failed, the Regional Comptroller shall refer the debt to the Debt Management Officer in the Central Office for appropriate action. At a minimum, the same documentation sent by the institution to the Regional Office shall be sent to the Debt Management Officer.

If, however, the Regional Comptroller concludes that the institution-level effort to collect the debt was insufficient, he/she is to follow-up for one to three consecutive months by letter and telephone. These letters require the Deputy Regional Director's signature. If these collection efforts fail, the Regional Comptroller shall refer the debt to the Debt Management Officer as indicated above.

Any debt referred to the Debt Management Officer by the Region that has incomplete documentation or does not provide sufficient evidence that all measures available were taken to collect the debt will be sent back to the Region for collection action to be initiated.

c. <u>Central Office Level</u>. The Debt Management Officer will recommend final disposition of the debt. This includes deciding if the debt should be referred to the IRS Offset Program or if a recommendation should be made to the Assistant Director for Administration to write-off the debt.

At each stage of debt collection, all contacts with the debtor and any actions taken on the debt must be documented to ensure fair and proper debt servicing and improve the chances of collecting delinquent accounts and effectively pursuing litigation.

- 6. <u>DEBT COLLECTION METHODS</u>. The following methods are available for the collection of delinquent debt: Administrative Offset (Institution Level), Salary Offset and Litigation for Salary Offset (Institution Level), and IRS Offset (Central Office Level).
- a. Administrative Offset. Administrative Offset is used to recover debts by withholding payment to a debtor for other outstanding obligations. If the institution plans to use Administrative Offset to collect the debt, the debtor must be notified of the intent in any one of the three demand letters.

The letter(s) must give the debtor the opportunity to:

- (1) make voluntary repayment,
- (2) inspect and copy records related to the debt,
- (3) request a review of the debt, and
- (4) enter into a repayment agreement.

For example, an institution is owed \$150 from a vendor for returned merchandise. The vendor has not refunded the institution the \$150 and 30 days has passed. The institution sends the vendor the required notice(s) and informs the vendor of the institution's intent to collect the \$150 through Administrative Offset. The institution has since purchased more

merchandise from this vendor and has received a bill for the merchandise. The institution can subtract \$150 from the bill and pay the balance to the vendor. The \$150 debt has now been collected.

When it becomes known that an employee is leaving Government service, for any reason, it shall be determined if the employee is indebted to the Bureau (i.e., travel advance, salary advance,

repayment of relocation allowances for failure to fulfill * 12-month service agreement). This shall occur during the employee's exit interview. The last department the employee is to check with is the Office of Financial Management (OFM). OFM shall check its records and the exit interview sheet ("merry-go-round") to see if any debts exist.

If the employee is indebted, OFM shall demand immediate repayment in full. If payment is not made, the Controller shall prepare a memorandum for the Warden's signature requesting the Human Resource Management Office (HRM) contact the Payroll/Personnel Operations Section of the National Finance Center (NFC) by telefax to hold final payment, lump sum payment, and retirement on the individual. HRM will contact the Payroll/Personnel Operations Section and follow up the contact with Form AD-343, Payroll Action Request.

- b. <u>Salary Offset</u>. Salary Offset shall be used to recover delinquent debts owed by current Federal employees, including employees that transfer from the BOP to another Federal agency. Fifteen percent of the employee's disposable income per pay period shall be collected through Salary Offset until the debt is paid in full. The debt can also be referred to DOJ to obtain a judgement. This judgement will allow for the collection of up to 25 percent of the employee's disposable income per pay period.
- (1) <u>Disposable Income Calculation</u>. Disposable income is the part of the pay remaining after the following deductions:
- (a) properly withheld Federal, state, or local income tax as required by law if the amounts withheld are not greater than that which would be withheld if the individual claimed all dependents to which the individual is entitled,
 - (b) health insurance premiums, including Medicare,
- (c) normal retirement contributions, including contributions to the Thrift Savings Fund. Any amounts voluntarily contributed toward additional retirement benefits are considered to be supplementary and not excluded, and
- (d) normal life insurance premiums, not including amounts deducted for supplementary coverage.

Payment plans shall not be accepted for employee debt. Salary Offset must be used.

(2) <u>Salary Offset Procedures</u>. The Controller shall prepare a memorandum to the Personnel Officer requesting Salary Offset for the employee. The memorandum must include the total dollar amount of the debt and instructions to collect 15 percent of disposable pay each pay period. Disposable income does not need to be computed since the NFC performs the calculation. The Human Resource Management Office (HRM) will complete Form AD-343, Payroll Action Request, and forward it to the Warden for signature. If HRM requires any assistance in completing Form AD-343, the Office of Financial Management may provide it. HRM will then forward the Form AD-343 to NFC.

Once NFC receives this form, NFC will begin collecting the debt based on the type of debt. There are two types of debts; minor indebtedness and major indebtedness. A minor indebtedness is less than 15 percent of disposable income and a "one-time" salary offset. A major indebtedness is more than 15 percent of disposable pay and is deducted each pay period until the debt is satisfied.

As the bi-weekly collections are made, the collections will be applied first to the interest that has accrued on the debt, then to the principal. Any amount remaining unpaid after NFC has completed the payroll deduction to collect the principal amount shall be collected directly from the employee in one lump sum.

If the remaining debt cannot be collected from the employee, refer the debt to NFC for salary offset. In most cases, the amount should be small enough to be considered a minor indebtedness and NFC will collect the debt in one deduction.

If the Warden wants collection in excess of 15 percent, a request must be sent to the Debt Management Officer for a determination. If the Debt Management Officer determines that the debt should be referred to DOJ for a judgment, Accounting Operations, Finance Branch, shall prepare and send a Claims Collection Litigation Report (CCLR) (Attachment A) to DOJ. This form can be reproduced locally. In order for Accounting Operations to complete the CCLR correctly, the Warden's request must include the CCLR with the following information filled in (refer to Attachment A, CCLR):

- (a) debtor's name and address, block 5,
- (b) debtor's Social Security Number, block 6,
- (c) the date the debtor originally defaulted on the obligation or the date of the last payment on the debt which caused default, block 7,
- (d) whether the debtor has applied for Chapter 7, 11, 12, or 13 bankruptcy, block 10a, and

(e) information on the individual debtor, blocks 16-20 and 24-25.

Instructions on how to fill out each block on the CCLR are on the reverse side of Attachment A.

- (3) <u>Additional Information</u>. In addition to the CCLR, the following information must also be sent to DOJ:
- (a) name, address, Social Security Number, current place of employment, debtor's salary, all of which have been verified within six months of the referral,
- (b) evidence that the debtor has the ability to pay a judgment or the potential to repay (employment data, property, other income) and that a judgment is needed to protect the Government's interest,
- (c) Certificate of Indebtedness (Attachment B) signed by the Debt Management Officer,
 - (d) copies of relevant account information documents,
- (e) a checklist or report of prior collection actions taken, and
- (f) a credit report that is less than six months old at referral which may be obtained through the Federal Supply Schedule.
- (4) <u>Requests to/from Other Agencies</u>. Requests for Salary Offset from other Federal agencies shall be honored. In addition, if an employee transfers from the BOP to another Federal agency, the BOP location shall request Salary Offset on that employee from the new Federal employer.

The request for Salary Offset to the debtor's employing agency will occur after the notification and due process period have ended and the debt is upheld, remains unchallenged, or arrangements for voluntary repayment in full of the debt cannot be reached. The institution must certify, in writing, the following facts to the debtor's employing agency:

- (a) that the employee owes the debt,
- (b) the amount and basis of the debt,
- (c) date on which payment was due,
- (d) that all due process steps have been taken,
- (e) date the Government's right to collect the debt first began, and

- (f) amount or percentage of disposable pay to be collected each pay period and the number of installments.
- c. <u>IRS Offset</u>. IRS Offset is used to recover delinquent debt of former employees by withholding all or part of a Federal income tax refund. The IRS collects the money from tax refunds and returns the money, less the IRS servicing fee, to the agency. The DOJ Debt Accounting Operations Group (DAOG) is the host organizer for all DOJ agencies participating in the IRS Offset Program. Accounting Operations, Finance Branch, manages the BOP IRS Offset Program. The guidelines which the BOP must adhere to are issued by DAOG. The Debt Management Officer shall determine the referral of debt to the IRS Offset Program after the debt has been referred to the Central Office from the Regional Office for collection action.
- (1) <u>Criteria for IRS Offset</u>. The criteria the Debt Management Officer shall use to determine if a debt qualifies for the IRS Offset Program are:
- (a) the debt must be a past due obligation of an individual (excluding inmates),
- (b) the debt must be delinquent more than three months by January 1 of the coming tax year, but less than 10 years, unless it is a judgment debt,
 - (c) the debt must be at least \$25.00,
- (d) a judgment has been obtained or Administrative and Salary Offset remedies have been exhausted for the debt,
- (e) the debt has been reported to a credit bureau, unless the debt is less than \$100, and
- (f) agency records do not contain evidence that the debtor has filed bankruptcy under Title 11 or that, at the time of referral of the debt for offset, the automatic stay is not in effect and the debt was not discharged.
- (2) <u>Information to Forward</u>. Once the Debt Management Officer decides which debts are to be referred to the IRS Offset Program, Accounting Operations will compile a list of these debts and forward the list, with the following information, to DAOG:
- (a) debtor's name, Social Security Number, and last known address without this information, names may not be submitted,
- (b) reason for the debt the reason should state the purpose and any available evidence that the debt is legitimate,
- (c) original amount of the debt this should include the amount collected, how collected, and amount outstanding, and

(d) summary of collection efforts - copies of all correspondence to and from the debtor.

Even though a debt has been referred to the IRS for offset, collection efforts are to continue on these accounts unless they have been referred to DOJ for litigation.

- (3) <u>IRS Offset Procedures</u>. The IRS Offset is processed as follows:
- (a) DAOG forwards a pre-offset list via computer tape to IRS for matching.
- (b) IRS returns the tape of eligible debtors to DAOG when matches occurred on last name and Social Security Number and provides the last address of the debtor.
- (c) Accounting Operations receives a list from DAOG where matches occurred.
 - (d) Debtor receives a 60-day letter from DAOG.
- (e) Debtor must submit evidence of an erroneous bill to Accounting Operations if they contest the validity of the debt.
- (f) Accounting Operations submits a list of debts to be removed from the offset program or a list of reduced balances to DAOG.
- (g) DAOG submits a certification tape to IRS for the flagging of accounts for offset.

IRS notifies the debtor in writing when an offset of the tax refund has occurred, how much money was offset, and to whom the money was directed. Any remaining debt balance referred into the program in the previous tax year that still meets the above criteria must be referred again in subsequent years at the Debt Management Officer's discretion.

- 7. <u>OUTSTANDING TRAVEL ADVANCES</u>. The Controller has the responsibility to ensure that all outstanding travel advances are promptly settled. If an outstanding advance has not been repaid within five working days from settlement of the travel voucher, it is delinquent. At that time, two things shall happen:
- a. The Controller shall issue a 30-day written notice informing the traveler of the nature and amount of the indebtedness, that the debt will accrue interest, the intention to initiate proceedings to collect the debt through Salary Offset, and an explanation of the employee's rights, which include:
- (1) an opportunity to inspect and copy Government records relating to the debt,

- (2) an opportunity for voluntary repayment of the debt in full, and
- (3) an opportunity for a hearing concerning the existence of the debt in accordance with the Department of the Treasury's "Guide to Conducting Federal Salary Offset."
- b. The debt shall be reclassified from a travel advance to an accounts receivable. This shall be accomplished by billing the employee on an SF-1080. Also, a copy of the front and back of the SF-1038, Advance of Fund, Application and Account card, shall be attached to the SF-1080 as supporting documentation. A 40 Transaction shall be prepared and entered into the Financial Management System (FMS) to the appropriation in which the travel advance was set up using:

Cost Center _08, Accounts Receivable-Travel, Sub-object 2190, Travel Advance Receivables, Descriptor Code E4, Travel Advances, Decision Unit M, and Payor Code 068, Employee Debt.

This will generate automatic entries to the General Ledger Account 139.7, Accounts Receivable - Employee. This debt will accrue interest as described in Section 12. This entry will automatically reverse the travel advance originally established in General Ledger Account 180.0, Travel Advances.

The 40 Transaction is being used to setup the receivable. It is not being used to account for a reimbursement. However, the interest will accrue on the receivable exactly like the interest accrues on a reimbursement. Any amount collected on the receivable will automatically be applied to the interest first and then to the principal. To determine the amount applied to interest, refer to the 100.88, Report of Reimbursements Billed. This amount is collected in the 151435, General Fund Proprietary Interest, Not Otherwise Classified, Receipt Account. This amount shall be reported on the SF-224.

The employee's SF-1038 shall be annotated with a note that the travel advance has been reclassified to an accounts receivable, the receivable number assigned, and the batch number. This travel advance is now considered closed.

If the debt has not been paid at the end of the 30-day period, the Controller shall notify the employee, in writing, that the Government, under authority granted by 4 CFR Part 102.3 and 5 U.S.C. 5514 and 5705, will exercise its right to offset the debt through payroll deductions. The employee shall be notified of the amount to be deducted each pay period. A sufficient amount is to be deducted each pay period to effect reasonable prompt settlement (within six months). The Salary Offset shall be in accordance with Section 6.b.

The SF-1080 and General Ledger Account 139.7, Accounts Receivable - Employee, shall evidence the debt owed to the Government.

The collection of the offset is automatically processed with payroll in the Current Year Salaries and Expenses Appropriation through an 03 Transaction. However, 02 and 40 Transactions must be made manually to complete the collection process. The 03 Transaction will be reported on the ASPM using Decision Unit M, Cost Center 363, and Sub-object 8150, Employee Offset Collections, and will affect the following General Ledger Accounts:

110.5 Net Disbursements - Payroll DR
420.5 NFC Employee Debt Offset CR

Within five days of receipt of the ASPM and before the close of the accounting period, the manual 02 and 40 Transactions must be made. These entries shall not be made prior to verifying the collection on the ASPM and the amount applied to principal as shown on the 100.88, Reimbursement Billed Register Report. First, an 02 Transaction must be accomplished in order to expend the funds. The accounting code listed on the ASPM is to be used. The amount must be entered as a positive in the Expenditure Column. This entry will affect the following General Ledger Accounts:

420.5 NFC Employee Debt Offset DR
110.3 Net Disbursements CR

Next, a 40 Transaction to collect the funds and reduce the receivable must be accomplished. The accounting code used to establish the receivable and the appropriate bill number are to be used. The amount should be recorded as a positive amount in the Collected Column. These entries must be noted in the subsidiary ledger that supports the 139.7 account. The entries to record the collection must be supported by a Journal Voucher (JV) with a copy of the ASPM documenting the amount of the collection. If the accounts receivable is in other than the Current Year Salaries and Expenses Appropriation, it must be posted to the monthly Statement of Transactions (SF-224).

It is also important to note that the collection of the interest and the principal must be posted to the SF-224 as they are collected into separate appropriations.

All contacts with the employee shall be documented and attached to the SF-1080.

- 8. <u>OUTSTANDING SALARY ADVANCES</u>. The Controller has the responsibility to ensure that all outstanding salary advances are promptly settled. Delinquent salary advances shall be collected through Salary Offset in the same manner as outstanding travel advances, as described in Section 7, with the following differences:
- a. Salary advances are to be repaid by the employee within five working days of receipt of the outstanding salary check.
- b. When the employee is given the salary advance, a letter shall be issued to the employee from the Controller, through the Warden, stating the time-frame for repayment of the salary advance and the employee's responsibility to update the Controller bi-weekly as to whether the outstanding salary check has been received.
- c. If the employee fails to update the Controller bi-weekly of the outstanding salary check's status, the Controller shall follow-up monthly with the employee to determine if the outstanding salary check has been received and if payment is due. All contacts with the employees shall be documented and maintained in a file.
- d. If the employee does not repay the salary advance within five working days of receipt of the outstanding salary check, the debt is delinquent and the Controller shall issue the 30-day written notice (including a statement that the debt will accrue interest), bill the employee, and reclassify the debt from a salary advance to an accounts receivable as explained below.

In order to accrue interest on the debt, the advance must be moved from 15X6875(10) into the appropriation from which the employee is paid. This is accomplished by preparing and entering the following 04 Transaction in 15X6875(10):

110.3 Net Disbursements DR
139.1 Accounts Receivable - Public CR

Then, prepare and enter into FMS a 40 Transaction to the appropriation from which the employee is paid using:

Cost Center _44, Accounts Receivable-Salary Sub-object 1199, Salary Advance Receivables, Descriptor Code E5, Salary Advances, Decision Unit M, and Payor Code, 068, Employee Debt.

This will generate automatic entries to General Ledger Account 139.7, Accounts Receivable - Employee. This debt will accrue interest as described in Section 12.

Note the transfer on the subsidiary ledger for the receivable in 15X6875(10). These entries must be supported by a Journal Voucher (JV) and posted to the monthly Statement of Transactions (SF-224).

* 9. <u>RESERVED</u>

10. TWELVE-MONTH SERVICE AGREEMENT. If an employee leaves the Federal Government before the expiration of the 12-month service agreement, the employee is indebted to the United States Government for any funds expended by the United States Government for authorized relocation expenses. If the employee is indebted, OFM shall demand payment in full from the employee. If payment is not made, these amounts are to be collected through Administrative Offset as discussed in Section 6. Exceptions to repayment may be made if approved by the Assistant Director for Administration. This authority has been redelegated from the Director, Bureau of Prisons.

For acceptable reasons and the procedures to be followed, refer to the Program Statement on Bureau of Prisons Travel Regulations, Chapter 302, Part 1, paragraph 302-1.5(a)(iii).

- 11. <u>COMPROMISE OF CLAIM</u>. Compromise of claim is a method of satisfying current or former employee debt by accepting less than the full amount of the debt for repayment. A request for compromise of claim can be made in cases involving employment-related debt; specifically, for overpayments or erroneous payments of salary, benefits, and travel.
- a. <u>Criteria</u>. A compromise may be considered when one or more of the following criteria apply:
- (1) the debtor is unable to pay the debt within a reasonable time period,
- (2) the debtor refuses to pay the full amount and the agency is unable to enforce collection (e.g., unable to prove the case in court or dispute with debtor over the amount of the debt), and
- (3) the cost of collection does not justify enforced collection of the full amount.
- In cases involving overpayments to employees of salary and * travel, the Debt Management Officer shall consider whether equity and good conscience counsel in favor of compromise of the claim. In making such determinations, the Debt Management Officer may consider, but is not bound by, the opinions of the Comptroller General of the United States interpreting 5 U.S.C. 5584.

- b. Redelegation of Authority. Redelegation of authority to compromise a claim has been transferred to the Director, Bureau of Prisons, by Department of Justice Order 2120.4E, paragraph 5.a. The Director can compromise claims of up to \$100,000 (31 U.S.C. 3711(a)(2)). The Director has further redelegated this authority to the Assistant Director for Administration.
- c. Request for Compromise of Claim. A Request for Compromise of Claim (Attachment C) may be initiated by the employee against whom the claim was made or any person having a direct interest in the compromise.

The Request for Compromise of Claim shall be submitted to the employee's Warden. The Warden shall request an investigation be conducted by the appropriate office (i.e., Financial Management for travel-related debts and the Human Resource Management Office for salary-related debts) to determine the nature of the overpayment. The investigative report should provide when, why, and how the overpayment occurred and whether or not the circumstances satisfy any of the standards for compromise as outlined in this subsection.

In addition, consideration shall be given as to whether or not the employee knew or should have known of the overpayment at the time it occurred and promptly reported it.

If the Warden recommends approval of the Request for Compromise of Claim, the request should be forwarded, with the investigative report, all supporting documentation, a computation of the amount requested to be compromised, and an explanation to the Debt Management Officer through the Regional Director. For claims originating in the Central Office, the Request for Compromise of Claim, the investigative report, all supporting documentation, a computation of the amount requested to be compromised, and an explanation shall be routed through the appropriate Assistant Director to the Debt Management Officer for disposition. Debt Management Officer concurs with the recommendation to approve the compromise of claim, the Debt Management Officer shall forward the compromise of claim to the Assistant Director for Administration, recommending that the request be approved. If the Debt Management Officer does not approve the compromise of claim, the request will be returned to the Regional Director (or Assistant Director, as appropriate) with an explanation of the denial.

If the Warden (or Assistant Director, as appropriate) does not recommend approval of the Request for Compromise of Claim, the request shall be returned to the originator explaining why the claim was denied. If the Warden recommends approval of the claim, but the Regional Director does not, the Regional Director

shall return the request to the Warden with an explanation as to why the claim was denied. In each case, a copy of the explanation, the Request for Compromise of Claim, and the investigative report are to be forwarded to the Debt Management Officer.

There are a few instances in which the amount compromised is to be reported to the Internal Revenue Service (IRS). The Debt Management Officer is responsible for determining if the amount compromised meets the criteria for IRS reporting. If it does, Accounting Operations shall make the report and address the requirement in the approval letter.

- 12. <u>INTEREST ON PAST DUE BILLS NON-GOVERNMENT</u>. Bills for which payment has not been received within 30 days are considered overdue. Debt management policy provides for the application of interest on these bills.
- a. <u>Interest Rates</u>. Interest rates are determined by the current value of funds to the Treasury. This value is transmitted by Treasury Financial Manual bulletins and presented in the form of an interest rate. This percentage rate is entered into FMS via a computer program which automatically computes the monthly interest rate.
- b. <u>Interest</u>. Interest will be computed monthly for each overdue bill and reported on the Report of Reimbursements Billed (100.88). As bills are collected, the amount received will first be applied to the interest and the remaining portion to the principal amount of the bill. Partially paid bills will continue to accrue interest and shall be listed on the next billing statement.
- c. Adjustments. Adjustments to incorrect interest charges may be made. An example would be a bill that has been paid in full but the entry was not entered into FMS during the proper month. The computer will generate and charge interest for the month and show that amount on the 100.88 report. Adjustments are made by entering the incorrect interest amount as a negative in the "Billed" amount field and using the letter "A" in place of the zero (0) in the payor code field of the 40 transaction. A Journal Voucher shall be prepared and approved by the Controller to support the adjustment.
- 13. GOVERNMENT RECEIVABLES. In accordance with 4 CFR 101.3, Federal agencies should attempt to resolve interagency claims by negotiation. Therefore, outstanding UNICOR and other Government agency receivables that the institution cannot collect through its own efforts after three months are to be referred to the Debt Management Officer through the appropriate Regional Comptroller for collection. In addition, DOJ Order 2120.3B, dated August 6, 1987, paragraphs 1 and 16, and 4 CFR Part 101.3(c) state that interest cannot be charged on claims between Federal agencies.

14. WRITE-OFF OF DELINQUENT DEBT (CLOSE-OUT). Once the debt has been referred to the Central Office, the Debt Management Officer determines if the debt is collectible. If the debt is determined to be collectible, the Central Office follows the procedures in Section 6. However, if these collection efforts fail and the Debt Management Officer determines that the debt is uncollectible, the debt can be written off with the Assistant Director for Administration's approval. The Debt Management Officer will recommend the write-off of the debt to the Assistant Director for Administration. The Debt Management Officer shall refer delinquent debts with principal balances greater than \$100,000 to DOJ for concurrence of terminating collection activity.

A debt can be considered uncollectible, collection activity can be terminated, and the debt can be written-off when one or more of the following criteria apply:

- a. The debt is legally without merit. Debt in this category was never owed and should not have been classified as a debt.
- b. The debt cannot be substantiated. This debt cannot be validated because the evidence or witnesses to validate the claim cannot be produced and voluntary repayment of the debt has not been obtained.
- c. The costs of further collection action will probably exceed the amount which could be recovered.
- d. The debtor cannot be located, or there is no security to be liquidated to recover the amount owed, or the Federal statute of limitations has expired for litigation (six years) and Administrative Offset (10 years) and the statutes of the state in which the debtor resides preclude further collection, or the chances of recovering the debt do not justify retaining the debt as a receivable.
- e. A substantial amount of the debt has not/cannot be collected. For example, the debtor has been declared bankrupt.

Written-off debts shall be closed and the debtor's account information removed from the active files. Debt referred to DOJ for litigation cannot be written off while it is in litigation.

If the amount exceeds \$600 and the debt has been written off, Accounting Operations, Finance Branch shall report the amount to the Internal Revenue Service (IRS) on Form 1099-G, Statement for Recipients of Certain Government Payments (Attachment D). This is a regulatory requirement established by Treasury and OMB. When the debt is reported, the IRS will match the Form 1099-G against individual tax returns to determine if the debtor has reported the discharge of the debt as income.

Debts owed by individuals, partnerships, sole proprietorships, and corporations are to be reported. Accounting Operations will provide the debtor with a copy of Form 1099-G or a written statement of impending 1099-G report by January 31 of the year following the year in which the debt was written off. The 1099-G must be sent to the IRS by March 1 of that same year. It is to be sent to the following address:

Internal Revenue Service Philadelphia, PA 19255

- 15. ACCOUNTS RECEIVABLE REVIEW AND CERTIFICATION. Part of effective cash management practices is the timely collection of outstanding receivables and the accurate reporting of receivables to outside agencies. To aid in the BOP's timely collection and accurate reporting of receivables, each institution is required to review outstanding receivables in the following general ledger accounts for all appropriations each month:
 - a. 130.1 Reimbursement Receivables Public
 - b. 130.2 Reimbursement Receivables Government
 - c. 131.1 Reimbursement Receivables Unbilled Public
 - d. 131.2 Reimbursement Receivables Unbilled Government
 - e. 135.1 Refund Receivables Public
 - f. 135.2 Refund Receivables Government
 - g. 135.3 Refund Receivables Income Receivable (Public)
 - h. 139.1 Accounts Receivables Other (Public)
 - i. 139.2 Accounts Receivables Other (Government)
 - j. 139.4 Accounts Receivables UNICOR Drafts
 - k. 139.5 Accounts Receivables Diners Club Cash
 - 1. 139.6 Accounts Receivables Drafts
 - m. 139.7 Accounts Receivables Employee

In addition, the Report of Reimbursements Billed, 100.88, and the Open Refund Receivables, 100.92, are to be reviewed monthly for accuracy.

OMB, in OMB Circular A-129, dated November 25, 1988, requires agency heads, or their designees, to certify the accounts receivables for their organizations as reported on the Report on Accounts Receivable and Loans Receivable Due From the Public (SF 220-9). All Wardens and Regional Directors are required to certify all accounts receivables for their locations annually. The certification shall be required for balances each September 30 (Attachment E). With these certifications, the Director, BOP, will certify total accounts receivable for the BOP to the Assistant Attorney General, Department of Justice, with full knowledge that the accounts receivable reported on the SF 220-9 are accurate.

The certification is required in October of each year after year-end close-out. The Central Office will advise the field of the certification's exact due date.

- 16. <u>OVERSIGHT RESPONSIBILITIES</u>. Each Regional Office and the Central Office have the oversight responsibilities for the BOP Debt Management Program. These responsibilities are as follows:
- a. Regional Office. Each Regional Office is to provide the institutions with assistance in maintaining current accounts receivables and collecting delinquent debt. Each month, the Regional Accountants are to review each institution's proof-check and the receivable reports to monitor accounts receivables. If the review of these reports reveals that the institution has receivables over 135 days past due, the Regional Office is to request information on these receivables, unless the receivables are already in the Regional Office for collection purposes.
- b. <u>Central Office</u>. The Central Office is to provide guidance to the institutions and Regional Offices on the Debt Management Program. Each month, Accounting Operations is to review the receivable reports for each Region to determine if there are any trends in the receivable accounts. If receivables are increasing in size and/or age, further documentation on the receivables is to be requested from the appropriate Regional Office.

\s\
Kathleen M. Hawk
Director

•	Paç	ge 1 of 7*
CLAIMS (See Inst	COLLECTION LITIGATION REPORT (ructions on reverse of each page)	* *
1. Agency Claim Number	2. Date:	* *
THE	CLAIM AT A GLANCE	*
3. To: (Use Complete Address)	* 4. From: (Use Comple	te Address) *
	*	*
	*	*
	*	*
5. Debtor's Name & Address: *		*
		*
		*
+ // - 50 F 51 O 51 D 5 1		— <u>"</u>
(If a FORECLOSURE, Insert addre	ss of property here so claim will be refer	red to USAO where property is located)
6. Debtor's SSN/EIN:	* 7. Default Date:	*
	*	*
B. SOL Expiration Date:	* 9. Basis for SOL Expiration	n Date:
	*	*
	*	*
0. Referred for:	*11. <u>Amount of Claim</u> :	*
9 Enforced Collection	* a. Total Principal	*
9 Judgement Lien Only	* Due \$	* *
9 Renew Judgement Lien Only	* b. Total Interest Due \$ * Through	* *
9 Renew Judgement Lien & Enforce	*	*
	* Charges Due \$	*
9 Program Enforcement	* d. Total Penalty	*
9 Foreclosure Only	* Charges Due *	*
9 Foreclosure & Deficiency Judgeme	ent * e. Total amount * of Claim \$	*
9 DOJ Concurrence for:	*	*
9 Compromise (4 CFR 103) 9 Suspension (4 CFR 104) 9 Termination (4 CFR 104)	* 12. Annual Rate * of Interest *	* * *
0a. 9 DEBTOR IN BANKRUPTCY: Chapter: { 7} {11} {12} {13}	*13. Compromise * Amount or %	* <u>or %</u> *
Basis of Claim: 9 Claim evidence surety obligation; OR	ed by not, guaranty, or *15. Agency Co	ntact: *
9 Claim not evidenced the following statute or		*
	* Phone Nos.:* (FTS and Comme	*

(Page 1 of 7-Back)

INSTRUCTIONS FOR COMPLETING THE REVISED CLAIMS COLLECTION LITIGATION REPORT (CCLR)

Section 105.2 of the Federal Claims Collection Standards, 4 CFR 101-105, requires that all claims referred to the Department of Justice (DOJ) or U.S. Attorneys' Office (USAO) be accompanied by a CCLR. By referring this claim you certify that your agency has complied with the appropriate collection requirements of 4 CFR 101-104. All applicable sections of this CCLR MUST be completed. INCOMPLETE CCLRS WILL BE RETURNED. This CCLR package MUST contain AT LEAST the items listed in BLOCK 59 of this form.

SPECIFIC INSTRUCTIONS

These instructions are keyed to the numbered blocks on the CCLR. Agencies forwarding claims should fill in blocks 1-58, as appropriate, blocks 60 and 61, and block 67. If the primary debtor is an individual, it may not be necessary to furnish the information called for in blocks 26-33. Conversely, if the debtor is a company you may skip blocks 16-25. If this is a foreclosure case, you must also fill in blocks 46-50.

DOJ/USAO personnel who receive claims should fill in blocks 62-66 and mail the "Acknowledgement Form" back to the referring agency.

D

THE CLAIM AT A GLANCE

- 1. Agency Claim No.: Insert the number your agency uses to identify this claim here, at the top of each page of this CCLR, and in block 61 on page 7 of this CCLR.
- 2. Date: Insert date you send this CCLR to DOJ or to DOJ's Central Intake Facility (CIF)
- To: Insert name and complete mailing address of the USAO in whose district the debtor resides (or in a foreclosure case, the district in which the property is located), or the DOJ Division to which you are referring this claim. (SEE CCLR MAILING DIRECTIONS ON "PAGE 6" OF THESE INSTRUCTIONS.)
- 4. <u>From</u>: Insert name and complete mailing address of the agency office referring the claim.
- 5. <u>Debtor's Name & Address:</u> Insert first, middle and last name, and full address, of the primary individual debtor, or the full name and address of a company debtor here. <u>But</u>, if this is a foreclosure case, insert the address of the property to be foreclosed on here, and the debtor's address, if <u>different</u>, in block 46. If property to be foreclosed on has no street address, be sure to give directions to property in block 58 or on a CCLR Supplementary Data Sheet.
- 6. <u>Debtor's SSN/EIN</u>: If an individual is liable for the debt, insert the individual's Social Security Number (SSN) here. If a company is liable for the debt, insert the company's Employer Identification Number (EIN) here. If both an individual and a company are liable for the debt, insert both the individual's SSN and the company's EIN.

* * (SEE INS	CCLR TRUCTIONS ON REVERSE OF EA	Page 2 of 7* ACH PAGE) *
* Agency Claim No	<u> </u>	* *
TH	IE INDIVIDUAL DEBTOR	* *
* 16. Debtor's Full Name:	* 17. AKA:	*
* * * *	* * * *	* * * * *
* 18. Date of Birth:	* 19. Home Phone No. (Ir	nclude Area Code):
* * 20 Employer's Name & Address:	*	b Title:
* * * *	* * * * * * * * * * * * *	* Area Code): *
* * * *	*	* *
* * *	* 9 Gross 9 Weekly * 9 Net 9 Biweekly	9 Monthly * 9 Annually *
*	*	e of person who verified above data, date verified,* ow verified: *
* 9 Other (Specify)	* * *	*
* * * * * * * * * * * * * * * * * * * *	* * *	* * * *
)) * *	HE COMPANY DEBTOR	*
* partnership, corporation, etc., addit	ional information will be required. In	individual person, such as a company, * such cases, insert the data called * o furnish additional information, as appropriate. *
* 26. Debtor's Full Name:	* 27. Debtor's Address	S: * *
*	*	* *
* 28. DBA: *	* 29: Phone No. (Include A	rea Code):

(Page 2 of 7-Back)

CCLR INSTRUCTIONS (CONT'D)

- 7. <u>Default Date:</u> Insert date the debtor originally defaulted on the loan, note, or other obligation, unless the debtor later "cured" that default. In such a case, insert date of the last "uncured" default which resulted in this claim being referred for litigation.
- 8. SOL Expiration Date: Insert date you believe the Statute of Limitations (SOL) for filing suit on this claim will expire.
- Basis for SOL Expiration Date: Insert the basis of your calculation of the SOL expiration date; i.e., date of last voluntary payment (involuntary payments such as IRS tax refund offsets do not count), written acknowledgement of the debt, first demand, date lender or guarantor assigned this claim to your agency, etc.
- 10. Referred for: Insert "X" in appropriate box to indicate what you want DOJ/USAO to do with this claim. If referred for DOJ concurrence only, insert "X" in appropriate box to show whether concurrence sought for compromise, suspension, or termination. NOTE: IN ADDITION TO ANY OTHER BOX YOU CHECK IN BLOCK 10, IF DEBTOR HAS ALREADY FILED A PETITION IN BANKRUPTCY, INSERT "X" IN BOX 10a AND FOLLOW INSTRUCTIONS FOR 10a SET FORTH BELOW.

Enforced Collections: Means you want DOJ to get a judgement against the debtor and pursue all available post-judgement remedies (wage garnishment, liens filed against property, etc.) Required Data: Blocks 15; 16-20; 24-25; or 26-33, as appropriate; 34-45, if applicable; 60-61; and 67.

<u>Judgement Lien Only</u>: Means you only want DOJ to get a judgement against the debtor, record the judgement as a lien against debtor's property, and return it to you for surveillance, IRS refund offset, etc. DOJ will <u>not</u> pursue any post-judgement collection remedies in these cases. <u>Required Data</u>: Blocks 1-15; 16-20; 24-25; or 26-33, as appropriate; 34-45, if applicable; 60-61; and 67.

Renew Judgement Lien Only: Means that you already have a judgement against the debtor for this claim but the judgement lien is about to expire and all you want DOJ to do is to renew the lien and return it to you. Required Data: Blocks 1-15; 16-17 or 26-27, as appropriate; 60-61; and 67.

Renew Judgement Lien and Enforce Collection: Means that your judgement lien is about to expire and you want it renewed, <u>and</u>, you have now found some debtor assets which you want DOJ to pursue collection of the renewed lien. Required Data: Blocks 1-15; 16-25 or 26-33; 34-45, if applicable; 51-56; 57058 if applicable; 60-61; and 67.

<u>Program Enforcement</u>: Means you are referring a claim for less than the minimal referral amount in 4 CFR 105.4, but you want DOJ to collect it because it is important to the enforcement of some agency program. <u>Required Data</u>: Blocks 1-15; 16-25 or 26-33, if applicable; 51-56; 57-58 if applicable; 60-61; and 67.

<u>Foreclosure Only:</u> Means you want DIJ to foreclose on the debtor's real estate and/or other property which is collateral for the loan which is now in default. You do <u>not</u>, however, want DOJ to try to get a delinquency judgement against the debtor if the amount recovered from the sale of the property is less than the amount of the claim. <u>Required Data:</u> Blocks 1-15; 34-45, if applicable; 46-50; 54-56; 57-58, if applicable; 60-61; and 67.

<u>Foreclosure & Deficiency Judgement:</u> Means you want DOJ to foreclose on property which is collateral for the loan <u>and get a deficiency judgement against</u> the debtor if the proceeds from the foreclosure are less than the total amount of your claim against the debtor. <u>Required Data</u>: Blocks 1-15; 16-25 or 26-33; 34-45, if applicable; 46-50; 51-56; 57-58, if applicable; 60-61; and 67.

Agency Claim No.	<u></u>	* *	
2. Name, Address & Phone Numb	er (Include Area Code) of * 33.	Name of person who verified above company debtor verified:	*
Service Agent:	* data, date, and how *	verified: *	
	*	*	
	*	*	
	*	*	
	*	*	
		*	
CO-DE	BTOR(S)/GUARANTOR(S)/CO-SIG	NER(S) *	
4. Full Name(s):	* 35. SSN/EIN:	*	
	*	*	
6. AKA:	* 37. Date of Birth:	*	
	*	*	
		·	
8. Home Address & Phone No. (Ir	clude Area Code): * 39. Em	plover's Name & Address:	
	*	*	
	*	*	
	*	*	
	*	*	
	*	*	
D. Work Phone No. (Include Area	Code): * 43. Best pla	ce for Marshal to serve process by personal * O. Box) 9 Home *	
1. Co-Debtor's Job Title:	*	9 Work 9 Other (Specify)	
1. Co-Deptor's Job Title.	*	*	
2. Salary: \$	*	*	
	*	*	
9 Gross 9 Weekly 9 Mon 9 Net 9 Bi-weekly 9 Annu	thly * <u> </u>	* *	
7			
4. Basis of Liability:	* 45. Name of person when	no verified above data on *	
	* 45. Name of person what co-debtor(s)/guarantor(s) * verified, and how verified:	co-signer(s), date *	
-	*	*	
	*	* *	
	*	*	
	*	*	
-	*	*	
	*	*	
	*	*	

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CCLR INSTRUCTIONS (CONT'D)

DOJ concurrence for Compromise, Suspension, or Termination: Means you only want DOJ to concur with your proposed action on the claim. Required Data: Blocks 1-15; 16-25 or 26-33; 34-45, if applicable; 51-56; 57-58, if applicable; 60-61; and 67.

10a. Debtor in Bankruptcy: Insert "X" here if you have received an "ORDER FOR MEETING OF CREDITORS," or any other notice that debtor has filed bankruptcy petition. THEN INSERT AN "X" IN THE APPROPRIATE BOX TO INDICATE CHAPTER 7, 11, 12, OR 13. In such cases, if you have not already filed your "Proof of Claim" with the Bankruptcy Court, you may use the attached form (BOF 10) to do so. Checking this box now means you want DOJ/USAO to seek relief from the automatic stay, or take other appropriate action in the bankruptcy proceedings, to further protect your interests.

Attach to this CCLR a copy of the notice you got from the Bankruptcy Court and a copy of the "Proof of Claim" you filed. Required Data: Blocks 1-15; 16-25 or 33, as appropriate; 34-45, if applicable; 46-50, if applicable; 51-56;60-61; and 67.

- 11. <u>Amount of Claim</u>: Insert figures called for in spaces (a)-(d) and total them in space (e). Also, insert date through which you calculated the interest due in the second line of space (b).
- 12. Annual Rate of Interest: Insert annual rate of interest applicable to this claim. If you have the daily rate at which interest accrues on this claim prior to judgement, also furnish that rate in Block 58 or on a CCLR Supplementary Data Sheet.
- 13. Compromise Amount: Insert minimum dollar amount, or percentage of the total amount of this claim you will accept to compromise or to settle it.
- 14. <u>Basis of Claim</u>: Insert "X" in appropriate box to indicate whether this claim is evidenced by a note, guaranty, or some other written obligation, and, if not, cite law or regulation giving rise to the claim.
- 15. Agency Contact: Insert the name and FTS and Commercial phone numbers of the person at your agency the DOJ/USAO person assigned to the claim should contact if questions arise about it. THIS MUST BE SOMEONE KNOWLEDGEABLE ABOUT THIS CLAIM!



THE INDIVIDUAL DEBTOR

- 16. <u>Debtor's Name</u>: Insert primary individual debtor's full name. (<u>Note</u>: If the primary debtor is married but his or her spouse is not a co-debtor, guarantor, or co-signer, use a CCLR Supplementary Data Sheet to furnish the data called for in blocks 16-25 on the debtor's spouse, in addition to the data you furnish on the primary individual debtor.
- 17. AKA (Also Known As): Insert any other name(s) the debtor is known to have used, including maiden name if applicable, and the name debtor used on the note or loan application involved in this claim if different from debtor's name in blocks 5 and 16.
- 18. Date of Birth: Insert debtor's date of birth.
- 19. <u>Home Phone No.</u>: Insert debtor's home phone number, including the area code.
- 20. <u>Employer</u>: Insert full name and address of debtor's employer. Don't forget part-time jobs, if debtor "moonlights."

(SEE IN	CCLR ISTRUCTIONS ON REVERSE OF EA	Page 4 of 7* CH PAGE) *
Agency Claim No		* *
	FORECLOSURES	* *
judgement, the follow the data called for in	erred for foreclosure only or foreclosure ring additional data will be required. In blocks 46-50 below and use CCLR Sup nformation, as appropriate.	such cases. insert *
46. Debtor's Address:	* 47. Mortgage Recordi	ng Information:
	* * County	*
	* Date of Recording	*
	•	•
	* Volume (Liber)	4
	* Page Number (Folio)	*
18. Property Occupancy: Debtor Resides on Property:	* 49. If recovery of ch ilist the chattels here and pr Yes 9 No 9 * information	attels is included in the forclosure,* ovide more detailed * on the CCLR Supplementary Data Sheet:
Property is Abandoned:	′es 9 No 9 *	*
Property occupied by tenant:	Yes 9 No 9 *	
.,,	T	T
	*	
50. List other Federal Liens agains	t the property:	*
		*
		*
-		*
-	EBTOR'S ABILITY TO PAY	*
L	PEBIOR S ABILITY TO PAY	
51. The debtor/co-debtor owns or	is buying the following * 52. Assets	in which the Government has a secured
real estate or other property (ca	rs, bóatš, etc.): * interest:	*
	*	*
	*	*
	*	*
	*	*
	*	**
53. Other Assets: (savings/checki account numbers(s); deceased	ng accounts, provide bank and/or credi debtor's estate, provide administrator/e	it union name(s) and address(es) and executor information; other sources of income
		* *
		*
		*
-		*

(Page 4 of 7-Back)

CCLR INSTRUCTIONS (CONT'D)

- 21. Debtor's Job Title: Insert debtor's job title/description.
- 22. Work Phone: Insert debtor's work phone number, including area code.
- 23. Salary: Insert debtor's salary, indicate wether gross or net, and how often paid.
- 24. <u>Service Site</u>: Insert "X" to indicate where Marshal can serve summons and complaint on debtor personally. If other than home or work address above, specify where.
- 25. <u>Verified by</u>: Insert name of person who verified the data above, the date verified, and how verified.

7

THE COMPANY DEBTOR

- 26. Name: Insert the full name of company debtor.
- 27. Address: Insert company debtor's complete address.
- 28. DBA: Insert any other name company debtor may use such as "Doing Business As."
- 29. <u>Phone</u>: Insert company debtor's phone number, including area code.
- 30. <u>Type of Business:</u> Insert the form of debtor's business, such as a corporation, sole proprietorship, partnership, etc. If partnership, use CCLR Supplementary Data Sheet to list names and addresses of <u>all</u> partners.
- 31. <u>Date and State of Incorporation</u>: If debtor is a corporation, insert date incorporated and state of incorporation.
- 32. <u>Service Agent</u>: Insert name phone number and address of agent authorized to accept service of summons and complaint for debtor, if applicable.
- 33. <u>Verification</u>: Insert data called for on person who verified above data on company debtor. It is particularly important to verify that a company debtor is still in business.

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CO-DEBTOR(S)/GUARANTOR(S)/CO-SIGNER(S)

- 34. Names: Insert full name(s) of any co-debtor(s), guarantor(s), and/or co-signer(s) who may also be liable for this debt if you want DOJ/USAO to try to collect all or part of it from them. NOTE: If the debtor is married but his or her spouse is not a co-debtor, guarantor, or co-signer, use a CCLR Supplementary Data Sheet to provide the data on the spouse as requested in Instruction #16 above.
- 35. <u>SSN/EIN:</u> Insert Social Security Number(s) or Employer Identification Number(s) of any co-debtor(s), and/or co-signer(s).
- 36. AKA (Also Known As): Insert any other names used by co-debtor(s), guarantor(s), and/or co-signer(s).
- 37. Date of Birth: Insert birth dates of any co-debtor(s), guarantor(s), and/or co-signer(s).

			*		
Agency Claim No.	-		*	*	
AGEN	ICY CLAIM H	ISTORY	*	*	
AOLIN	ICT CLAINTTI	ISTOK I	*		
Date of last demand for payment to summary of debtor's response:	debtor and	* 55. Details of by, or to, the del	f any compronotor and any re	nise or settlem esponses ther	nent offers r
	*	•	*	•	
	*		*		
	*		*		
	*		*		
Summary of collection actions taken	by agency:			*	
			*		
			*		
			*		
			*		
	IONAL INFOR		*	*	
For HHS loans: Medical or other proassociation locator data:		RMATION * 58. Additional	* agency comm * *	nents:	*
For HHS loans: Medical or other proassociation locator data:			* agency comm * *	ents:	*
For HHS loans: Medical or other proassociation locator data:			* agency comm * * * * * * *	nents:	*
For HHS loans: Medical or other proassociation locator data:			* agency comm * * * * * * *	* nents: *	*
For HHS loans: Medical or other proassociation locator data:	* * * * * * * * * * * * *	* 58. Additional	* agency comm * * * * * *	nents:	*
For HHS loans: Medical or other proassociation locator data: AGENCY CHECK LIST CCLR pack	fessional * - * - * - * - * age must con	* 58. Additional	* agency comm * * * * * *	* nents: *	*
For HHS loans: Medical or other proassociation locator data: AGENCY CHECK LIST CCLR pack	fessional * * - * - * - * age must con	* 58. Additional tain: reclosure:	* agency comm * * * * * * *	nents: * *	*
For HHS loans: Medical or other pro- association locator data: AGENCY CHECK LIST CCLR pack n General:	fessional * -* -* -* age must con For Fo 9 CC	* 58. Additional tain: reclosure: CLR	* agency comm * * * * * * * *	* * * * *	*
For HHS loans: Medical or other proassociation locator data: AGENCY CHECK LIST CCLR pack	fessional * -* -* -* age must con For Fo 9 CC	* 58. Additional tain: reclosure:	agency comm * * * * * * * * *	* * * * *	*
For HHS loans: Medical or other pro- association locator data: AGENCY CHECK LIST CCLR pack n General:	fessional * -* -* -* age must con For Fo	* 58. Additional tain: reclosure: CLR	* * * * * * * *	* * * * * *	*
For HHS loans: Medical or other proassociation locator data: AGENCY CHECK LIST CCLR pack on General: COLR COLR Control Contr	fessional * * - * - * age must con For Fo 9 CC	* 58. Additional tain: reclosure: CLR 9 Credit Report	* * * * * * * * * lote *	* * * * *	*
For HHS loans: Medical or other pro- association locator data: AGENCY CHECK LIST CCLR pack on General: CCLR CCLR CCLR CCLR CCLR CCLR CCLR CCL	fessional * -* -* -* age must con For Fo 9 CC	* 58. Additional tain: reclosure: CLR 9 Credit Report briginal Promissory N	* * * * * * lote * te Mortgage	* * * *	*
For HHS loans: Medical or other proassociation locator data: AGENCY CHECK LIST CCLR pack on General: CCLR CCLR CCLR CCLR CCLR CCLR CCLR CCL	fessional * * * - * age must con For Fo 9 CO 9 CO of	* 58. Additional tain: reclosure: CLR 9 Credit Report original Promissory N Original Real Esta 9 Original Stat of Amount Due	* * * * * * lote * te Mortgage	* * * * punt/Affidavit *	* *
For HHS loans: Medical or other pro- association locator data: AGENCY CHECK LIST CCLR pack n General: CCLR CCLR Certificate of Indebtedness Credit Report Payment History, If Any Coriginal Notes or Other Evidence of Including Assignments, If Any	fessional * -* -* -* age must con For Fo 9 CO 9 CO of Debt, ken by Agenc 9 Direction	* 58. Additional tain: reclosure: CLR 9 Credit Report original Promissory N Original Real Esta 9 Original Stat of Amount Due	* * * * * tote * te Mortgage tement of Accordidence, * iidence, * # If Any	* * * * punt/Affidavit *	* *

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CCLR INSTRUCTIONS (CONT'D)

- 38. Home Address & Phone Number: Insert complete home address(es) and phone number(s) of any co-debtor(s), guarantor(s), and/or co-signer(s).
- 39. Employer: Insert full name of any employers of any co-debtor(s), guarantor(s), and/or co-signer(s).
- 40. Work Phone Number: Insert work phone number(s), including area code(s) for any co-debtor(s), guarantor(s), and/or co-signer(s).
- 41. <u>Job Title</u>: Insert any job title/description of any co-debtor(s), guarantor(s), and/or co-signer(s).
- 42. <u>Salary</u>: Insert salary of any co-debtor(s), guarantor(s), and/or co-signer(s), indicate whether gross or net, and how often paid.
- 43. <u>Service Site:</u> Insert "X" to indicate where Marshal can serve co-debtor(s), guarantor(s), and/or co-signer(s) personally. If other than home or work address(es) provided, specify where.
- 45. <u>Basis of Liability</u>: Insert facts giving rise to any co-debtor(s), guarantor(s), and/or co-signer(s) liability for this debt, including any family relationship to the primary debtor.
- 45. <u>Verified By:</u> Insert name of person who verified data on co-debtor(s), guarantor(s), and/or co-signer(s), the date verified, and how verified.

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FORECLOSURES

- 46. Debtor's Address: Insert debtor's complete address if different from property address in Block 5.
- 47. Mortgage Recording Information: Insert county in which mortgage recorded, date of recording, and the liber (book or volume) and folio (page number) of the recording.
- 48. Property Occupancy: Check "Yes" or "No" to questions about the current occupancy of the property. If property occupied (even if by a tenant), occupant's name(s) are necessary to institute foreclosure proceedings. If necessary, use CCLR Supplementary Data Sheet to furnish occupancy status.
- 49. <u>Chattels</u>: If chattels (any property except real estate, such as cars, boats, farm equipment, etc.) are to be recovered in the foreclosure, list them in the space provided or use CCLR Supplementary Data Sheet if necessary. Be sure to specify what county or counties in which any chattels are located.
- 50. Other Federal Liens: Insert here the names of any other Federal agencies which also have liens or claims against the same property which is collateral for the debt owed your agency.



DEBTOR'S ABILITY TO PAY

- 51. <u>Debtor Property:</u> Insert data on any real estate or other property, such as cars, boats, etc., the debtor(s) and/or codebtor's, etc., own or are buying. DOJ/USAO need data on property against which liens can be filed to enforce collection of this claim. Include data on the value of the property, the county or counties in which it is located, any other liens, and what equity is available to satisfy this claim.
- 52. Assets: Insert data on any debtor assets in which to Government has a secured interest which may be sold to pay this claim.

CCLR (SEE INSTRUCTION	Page 6 of 7* S ON REVERSE OF EACH PAGE)	*
Agency Claim No.	* *	
Use this sheet to provide any additional in might be collected and any assets which	* * Information which might help locate those from whom the claim might be available to satisfy a judgement in favor of the er(s) of the block(s) on the CCLR which any additional data is * * * * * * * * * * * * *	*

(Page 6 of 7-Back)

CCLR INSTRUCTIONS (CONT'D)

53. Other Assets: Insert data on any other assets the Government might be able to attach to pay this claim, such as bank or credit union addresses and account numbers, etc. This data may be obtained from any checks your agency may have received from the debtor.

AGENCY CLAIM HISTORY

- 54. <u>Last Demand Date</u>: Insert date of last demand on debtor to pay this claim and summary of the debtor's response to that demand
- 55. <u>Compromise</u>: Insert details of any compromise or settlement offers made by, or to, the debtor and any responses to them
- 56. <u>Collection Actions Taken</u>: Insert data on actions taken by your agency to collect this claim up to this point.

ADDITIONAL INFORMATION

- 57. HHS Loan: Insert data on medical and/or other professional memberships, etc., which might help locate the debtor.
- 58. Additional Comments: Insert any additional comments or information which might help locate the debtor and collect this claim. Use CCLR Supplementary Data Sheet(s) if required.
- 59. <u>Checklist</u>: Check appropriate spaces to ensure that this CCLR package is complete.

CCLR MAILING INSTRUCTIONS

After you have completed this CCLR, and the debt for litigation in the TOTAL PRINCIPAL DUE, Block 11a, is \$500,000 or more, mail this CCLR to:

COMMERCIAL LITIGATION BRANCH Civil Division U.S. Department of Justice P.O. Box 875 Ben Franklin Station Washington, D.C. 20044

After you have completed this CCLR, and the debt for litigation in the TOTAL PRINCIPAL DUE, Block 11a, is less than \$500,000, mail this CCLR to:

U.S. Department of Justice Central Intake Facility Suite 220 1110 Bonifant Street Silver Spring, MD 20910-3313

*	CCLR Page 7 of 7* (SEE INSTRUCTIONS ON REVERSE OF EACH PAGE) *	
) * * * 1	Agency Claim No * * * * * * * * * * * * * * * * *	
* * * * *	ACKNOWLEDGEMENT FORM * * * *	
	(FOLD HERE)	
	DOJ/USAO ACKNOWLEDGEMENT TO AGENCY	
60.	Debtor's Full Name:	
61.	Agency Claim Number:	
62.		
63.		
64.	Received by DOJ/USAO by:	
65.	Questions? Contact:	
	(Print Name & Phone Number (Include Area Code) of DOJ/USAO Contact)	
	(FOLD HERE)	
	66.)	
	* *	
	* *	
	* * }	
	67. * * * * * *	

)		

(Page 7 of 7-Back)

CCLR INSTRUCTIONS (CONT'D)

- 60. <u>Debtor's Name</u>: Insert debtor's full name inthis block on the "ACKNOWLEDGEMENT FORM."
- 61. Agency Claim No.: Insert the number your agency uses to identify this claim.
- 67. <u>Agency Address</u>: Referring agency should insert it's address in this space so that it will show through the window of a window envelope when folded along the lines indicated.



TO BE COMPLETED BY THE PERSON AT DOJ/USAO WHO RECEIVES THIS CLAIM

- DOJ/USAO Number: Insert the DOJ/USAO number used to identify this claim.
- 63. Receipt Data: Insert the date this claim was received at DOJ/USAO.
- 64. Recipient's Name: Print the name of DOJ/USAO person who actually received this claim.
- 65. <u>Contact</u>: Print name and phone number of DOJ/USAO person the agency should contact if questions arise about this claim.
- 66. <u>DOJ/USAO RETURN ADDRESS</u>: The person at DOJ/USAO who receives this claim should insert the receiving office's return address in this space so that it shows through the upper window of an envelope with two windows. Then, detach the last page of this CCLR (Page 7 of 7), fold it along the lines indicated, insert the entire page into a window envelope so that the agency's address in Block #67 will show through the window of the envelope, and mail the ACKNOWLEDGEMENT back to the referring agency.
- 67. <u>Agency Address:</u> If the referring agency forgot to insert its address here, DOJ/USAO person acknowledging this claim should insert referring agency's address in this space so that it will show through the lower window of a two (2) window envelope.

AGENCY NAME CITY AND STATE

CERTIFICATE OF INDEBTEDNESS

Total debt due Unites States as of(Date) : \$ I certify that(Name of Agencyrecords show that the debtor(s) named above is/are indebted to the United States in the amount stated above, plus additional interest on the principal balance of \$ from _(Date) at the annual rate of%. Interest accrues on the principal amount of this debt at the rate of \$ per day. The claim arose in connection with (Describe with statement such as "a loan made by(Name of Agency)," "a Government-insured or guaranteed loan made by a private lender and assigned to the United States," "a charge by the(Name of Agency) for goods and/or services," or "an overpayment or erroneous payment by the(Name of Agency)) (Statement of the relevant facts, including: How the debtor's became indebted to the United States; the date the debtor(s) defaulted on the loan, note or obligation; principal balance of the debt; amount and rate of accrued interest on principal balance; additional charges such as penalties and administrative costs; date of last voluntary payment; and statutory authorities.) CERTIFICATION: pursuant to 28 USC § 1746, I certify under penalty of perjury that the foregoing it true and correct. (SIGNATURE)	Debtor(s) Name(s) and	
I certify that (Name of Agency">(Name of Agency records show that the debtor(s) named above is/are indebted to the United States in the amount stated above, plus additional interest on the principal balance of \$	Address(es):	
I certify that(Name of Agency records show that the debtor(s) named above is/are indebted to the United States in the amount stated above, plus additional interest on the principal balance of \$	-	
I certify that(Name of Agency records show that the debtor(s) named above is/are indebted to the United States in the amount stated above, plus additional interest on the principal balance of \$		
named above is/are indebted to the United States in the amount stated above, plus additional interest on the principal balance of \$	Total debt due Unites States as	of <u>(Date)</u> : \$
"a loan made by	named above is/are indebted to stated above, plus additional ir \$ from(Date)_ at accrues on the principal amount	the United States in the amount nterest on the principal balance of the annual rate of%. Interest
became indebted to the United States; the date the debtor(s) defaulted on the loan, note or obligation; principal balance of the debt; amount and rate of accrued interest on principal balance; additional charges such as penalties and administrative costs; date of last voluntary payment; and statutory authorities.) CERTIFICATION: pursuant to 28 USC § 1746, I certify under penalty of perjury that the foregoing it true and correct.	"a loan made by <u>(Name of Age:</u> guaranteed loan made by a privat States," "a charge by the <u>(Name of Age:</u> services," or "an overpayment of the states," or "an overpayment of the states,"	ncy) ," "a Government-insured or e lender and assigned to the United ame of Agency) for goods and/or
of perjury that the foregoing it true and correct.	became indebted to the United defaulted on the loan, note or oldebt; amount and rate of accruadditional charges such as penal-	States; the date the debtor(s) oligation; principal balance of the ed interest on principal balance; ties and administrative costs; date
(SIGNATURE)		
(Date) (Name and Title)		

REQUEST FOR COMPROMISE OF CLAIM

5NAME OF EMPLOYEE 5(INCLUDE SOC. SEC. NO.) 5	*OFFICE WHERE CURRENTLY EMPLOYED * *	5 5 5
5EMPLOYING OFFICE AT TIME * AN 5OF OVER PAYMENT * 5 *	MOUNT OF CLAIM * DATE OF CLAIM * *	M5 5 5
5TYPE OF OVERPAYMENT AND DATE 5	*DID YOU NOTIFY PAYROLL/ACCOUNTING *WHEN? *	G5 5 5
5 5 5 5	*OFFICE THAT ASSERTED THE CLAIM *	5 5 5
5WHAT WAS THE REASON FOR THE CS 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	OVERPAYMENT?	5 5 5 5 5 5
5HOW MUCH DO YOU WANT FORGIVED 5ENTITLED TO FORGIVENESS OF SU 5 5 5 5 5		5 5 5 5 5 5 5
5PRINTED NAME AND SIGNATURE OF SREQUESTOR 5	F*DATE * *	5 5 5
5CURRENT ADDRESS OF REQUESTOR 5	*DAYTIME TELEPHONE NUMBER *	5 5 5

Local Reproduction Authorized

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9 VOID
                                                8 6 8 6
                                                                                       9 CORRECTED
  PAYER'S name, street address, city, state and ZIP code
                                                                  * 1 Unemployment Compensation *OMB No. 1545-0120*
                                           * $
                                                                                               CERTAIN
                                                                                                               GOVERNMENT
                                                                                                      PAYMENTS
                                           * 2 State or local income tax *
                                           * refunds, credits, or offsets *
                                                                            1992
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REVENUE
*RECIPIENTS name
                                                      *5 Discharge of indebtedness *6 Taxable grants
                                                                                                                 Service Center
                                           * $
                                                                                 * File with form 1096
                                                       *7 Agriculture payments *8 The amount in box 2

* applies to income from a * Reduction Act
 * trade or business < 9 * Notice and
Street address (including apt. no.)
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                                                                                             Reduction Act
Notice and
                                           * $
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*City, state, and ZIP code
                                                                                                                                  form, see
                                                                                                                               Forms 1099, 1098, 5498, and W-2G
Account number (optional)
Form 1099G
                                           Cat. No. 14438M
                                                                         Department of the Treasury - Internal Revenue Service
                                            Do NOT Cut or Separate Forms on This Page 8 6 9 VOID 9 CORRECTED
  PAYER'S name, street address, city, state and ZIP code
                                                                  * 1 Unemployment Compensation *OMB No. 1545-0120*
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                                           * 2 State or local income tax *
                                                                            1992
                                           * refunds, credits, or offsets *
PAYER'S Federal Identification Number* RECIPIENTS Identification Number * 3 Box 2 amount is for tax year* 4 Federal Income Tax Witheld*

* $ FOR
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REVENUE
*RECIPIENTS name
                                                      *5 Discharge of indebtedness *6 Taxable grants
                                                                                                                 Service Center
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Street address (including apt. no.)
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5498, and W-2G
*Account number (optional)
Form 1099G
                                                                         Department of the Treasury - Internal Revenue Service
                                           Cat. No. 14438M
                                            Do NOT Cut or Separate Forms on This Page 8 6 8 6 9 VOID 9 CORRECTED
                                                                  * 1 Unemployment Compensation *OMB No. 1545-0120*
 PAYER'S name, street address, city, state and ZIP code
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Copy A
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*RECIPIENTS name
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*City, state, and ZIP code
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                                                                                                                               Forms 1099, 1098, 5498, and W-2G
*Account number (optional)
Form 1099G
                                           Cat. No. 14438M
                                                                         Department of the Treasury - Internal Revenue Service
```

Date

Status of Receivables Certification

	Accounts Receivable	Amount
130.2 131.1 131.2 135.1 135.2	Reimbursement Receivables - Publ Reimbursement Receivables - Gove Reimbursement Receivables - Unbi Reimbursement Receivables - Unbi Refund Receivables - Public Refund Receivables - Government	ernment .lled - Public .lled - Government
139.1 139.2 139.4 139.5 139.6	Refund Receivables - Income Rece Accounts Receivables - Other (Pu Accounts Receivables - Other (Go Accounts Receivables - UNICOR Dr Accounts Receivables - American Accounts Receivables - Drafts Accounts Receivables - Employee	ublic) overnment) cafts
Septemk present	reviewed the above information foer 30, 19 and, in my opinion ted is accurate and consistent witing systems and policies.	, the information

Chief Executive Officer

(Signature)